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INDIVIDUALISM

The
Solution
of our
**Economic
Problems**



JOSEPH JORDAN DEVNEY

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INDIVIDUALISM

THE SOLUTION OF OUR ECONOMIC PROBLEMS

By JOSEPH JORDAN DEVNEY



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“THERE must be for
human affairs an order
which is the best. ***

It is the order which ought
to exist for the greatest
happiness of the human race.
God knows it, and desires its
adoption. It is for man to
discover and establish it.”—
Laveleye.

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Introduction

The more we learn of the ancients, the greater our respect for their ability and the firmer our conviction that there is "nothing new under the sun."

After having conceived the idea outlined in this booklet and concluded after months of theorizing and study of modern conditions that it was the real solution of our economic problems, I began to search history for support and had the extreme satisfaction of discovering that it had proven strikingly effective in numerous instances in Greece and Rome in correcting conditions not dissimilar to our own. It was indeed a source of encouragement to learn that the principle had the endorsement of such men as Solon, Plato, Aristotle, Pliny, Livy, and numerous others whose achievements were such that their fame has withstood the ravages of 2,000 years.

I have left the main text little influenced by historical researches, preferring to argue the validity of the principle by considering modern conditions as far as possible, leaving the weight of history as a fitting close.

This booklet, having been written in spare time snatched from a life in which the struggle for the material is by no means an incidental factor in these days of "the high cost of living," lacks both finish and development. But the germ at least is here, and if it should meet with a sufficiently encouraging reception as to suggest an "encore," the shortcomings can to some extent be overcome in a later edition.

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Synopsis

CONDITION: It is generally admitted that our present economic state of affairs is by no means satisfactory.

CAUSE: There is too great a disparity in the distribution of wealth. Men being unequal in their ability to accumulate riches, and no limit having been placed on the amount which any individual may acquire, some have been able to amass hundreds of millions of dollars' worth of wealth, while others, less capable and less fortunate, are forced to struggle with poverty. Some men, therefore, have too much wealth while others have not enough.

SOLUTION: Limit each *individual* to as much commercial property as will insure him or her all of the necessities of life, and at least a reasonable amount of legitimate luxuries.

In our country and time I propose \$100,000 for each man, woman and child as the amount which would amply provide these. This would permit a family consisting of a father, mother and eight children to own one million dollars' worth of commercial property.

In addition to restricting each *individual* to that amount of commercial property, I would permit each to have an unlimited amount of non-commercial property, such as a home, food, fuel, clothing, jewelry, furniture, art, horses, automobiles, etc.

MEANS OF ACCOMPLISHING: By forming a Society to (a) demonstrate the justice of the principle and induce as many as possible to carry out its spirit voluntarily; (b) induce employers of labor to share profits with their employees on a merit basis without any features which smack of peonage; (c) promote the enactment of income and inheritance tax laws and other laws which will tend to prevent further centralization of wealth, and

(d) ultimately secure such amendment to the Federal Constitution as will give the people a reasonable time in which to dispose of their surplus, and at the expiration of that time require the government to take the surplus from any who had not complied, put it into the National Treasury, use it for current expenses, thus reducing taxes and giving everyone the benefit.

RESULT: By thus limiting each individual, the less fortunate and capable would be able to acquire sufficient to live in decency and comfort as becomes human beings, which hundreds of thousands are unable to do today. At the same time, it would work injustice to no one, the maximum allowed being sufficient for any individual, as will be demonstrated later.

NAME: This proposed system of economics is called "Individualism." The name originally suggested itself as the solution both in theory and practice is diametrically opposed to Socialism. There is absolutely nothing communistic about it. Each person would be put on his individual merits. No one would get anything for which he did not work; but those who did work would be able to reap just rewards from their labors.

* * * *

WEIGH THE EVIDENCE.—It would be too much to expect any but those who may have been thinking along the same lines to admit at once that the solution proposed is sound, effective and not too radical to be practical, and that the results as stated would follow its adoption. Therefore, unless you have given this plan exhaustive consideration, it is not asking too much to request that you read the arguments pro and con and *then* draw your conclusion.

Suppose twenty years ago some one had said to you, "Thompson, I have been studying aeronautics a long time and have constructed a machine in which I can ride through the air," or "I have invented an instrument by which I can telegraph a thousand miles without the aid of wires," or "I have invented a vehicle which, with proper development, will propel itself 100 miles an hour." You probably would have doubted him and even

laughed at him. And yet all these things have become realities and are now commonplace. So don't decry this solution without a hearing. It is a simple remedy, and yet too far-reaching to be grasped from a few paragraphs.

I now propose to show what caused some of the conditions which exist, offer my solution of them in detail and endeavor to prove conclusively that its adoption would result in a radical improvement of conditions.

Causes of Present Conditions

Avarice has been characteristic of the human race from the beginning. In all ages there have been certain people possessed with an insatiable greed to accumulate as much wealth as possible by any methods. The failure of society to limit individual accumulations has led to the ruination of nations as well as individuals. Aristotle says, "Inequality is the source of all revolutions." August Boeckh, in his exhaustive work on the Political Economy of Athenians, declares that war between the rich and the poor destroyed Greece. Pliny, Varro, Mace, Laveleye and numerous other writers, both ancient and modern, testify that the unequal distribution of wealth was the cause of the ruin of the Roman Empire.

And look at the world today. Mexico in revolt because sixteen millions of people are working for a few hundred land-owners. Ireland just emerging from 300 years of oppression and intolerable conditions, because a few men owned the land and five million worked to support them. England and Russia and Italy and other nations, including our own United States, are suffering from the unequal distribution of wealth.

History is simply repeating itself, and until society lessens the breach between the prince and the pauper by restricting individuals to a certain amount of wealth, history is going to continue to repeat itself. The rise and fall of nations will go on as before.

Three causes have contributed to permit the centralization of wealth in this country probably with greater rapidity than in any other at any time. They are as follows:

(1) **NATURAL RESOURCES.**—Being a comparatively new nation with almost unlimited natural resources, wealth has been produced with marvelous rapidity, and those who have

been able to monopolize the means of production have been able to acquire the lion's share of it. Think of the vast fortunes which have been made out of oil, gas, iron ore, coal, copper, silver, gold and other valuable deposits which the Creator spent ages to put in Nature's store house for the benefit of ALL mankind.

(2) IMPROVED MACHINERY.—Wonderfully improved machinery has displaced manual labor and enabled those in control of it to reap the benefits which formerly were distributed among many. Here is just one instance in the iron industry which I mention as I happen to be personally familiar with it: In 1900, 870 men, were employed on the L. S. & M. S. Ry. docks at Ash-tabula, Ohio, to handle about 2,500,000 tons of ore during the season. A few years ago, machinery was installed to take the place of labor, and in 1911 nearly twice as much ore was handled by about 250 men. Therefore, one man in 1911 was able to do as much as seven men did eleven years before. And the increase in wages of those still employed is scarcely sufficient to offset the higher cost of living.

The 600 men who were thus displaced had to seek employment elsewhere and compete with laborers in other lines. They received no benefits of the improvements—these went to the capitalists.

We would not have the world stand still, we want improvements and progress, but there can be no real progress unless it affects all the people favorably. There is certainly something vitally wrong with that system of wealth distribution which results in inventions and improvements enriching a few while taking away the means of livelihood from many.

Our much boasted progress becomes a travesty when upon analyzing we find that we have been very apt in devising schemes to save labor, but have not taken the precaution to insure that humanity as a whole shall be benefited thereby. Under such a system, improvements and labor-saving devices make for retrogression in the conditions of humanity.

(3) CORPORATIONS.—The other means which has

permitted the rapid centralization of wealth is the development of corporations, through which many strong men have been able to unite their brains and energies and co-operate to their own advantage and to the disadvantage of others.

Corporations probably have been the most powerful agent in the centralization of wealth. They have enabled a few men to prevent a just and equitable distribution of the natural resources of the country and the benefits of improved machinery. I shall, therefore, discuss them at length for these reasons, and for most important of all, that by limiting private ownership they can be utilized to aid working out the economic salvation of ALL the people.

FORMER BUSINESS METHODS.—Until a half century or so ago, it was usually customary for men to engage in business as individuals or partners. Death was the leveler which helped to keep wealth distributed. A man might make a million dollars or several millions, his son might preserve the fortune intact and even increase it, but some place along the chain of descendants a weak link would be struck, disintegration would take place and the fortune would be dissipated and distributed.

ADVENT OF CORPORATIONS.—When corporations came into vogue conditions changed. An artificial person with perpetual life, created by law, replaced the individual, and death was no longer the balance wheel of wealth.

In the first place, it requires several persons to incorporate a company, and in large enterprises there are usually several strong men in control. If one dies, the corporation does not dissolve as in the case of a partnership; the stock of the deceased simply passes to other persons, and usually some one who has been active in the affairs of the company steps into the vacated place. Then, with the assistance of the other cogs in the wheel, the business goes on as before, increasing or diminishing according to the relative ability of the new personnel in charge. Thus a corporation has far greater assurance of continuing its existence and be-

coming a powerful factor in its particular field than has an individual.

Because of the numerous advantages of doing business through corporations, they have become so popular, that now practically all business, both large and small, is conducted through them.

BIRTH OF TRUSTS.—Trusts were the natural outgrowth of corporations. Men found that individual firms operating in the same field could combine their interests in one large corporation and by stifling competition and gaining control of the means of production in that line, far greater profits could be made.

After a few such combinations were formed, those operating in other lines were quick to grasp the advantages to be secured by combining interests in their respective lines, and trusts, or combinations, were formed so rapidly that today there are few avenues of commerce or industry which are not under their control.

The legitimate advantages of corporations are numerous, but because of their artificial nature, they offer to unscrupulous men means of doing many unjust acts which individuals cannot do. Among these are the following:

WATERED STOCK.—One of the evils which can be committed through corporations is to filch money from people through watered stock. For example, it is a matter of common knowledge that *hundreds of millions of dollars worth* of water was poured into the United States Steel Corporation when it was formed. Mr. Carnegie admitted to the Stanley Investigating Committee that the Carnegie Co. was watered even on the basis of its earnings when an option was given on it in 1898 for \$320,000,000. Yet two and a half years later this was sold to the United States Steel Corporation for \$420,000,000. Mr. Carnegie even said he understood later that he could have secured another \$100,000,000 if he had asked. The Commissioner of Corporations valued the ore lands secured by the corporation at \$100,000,000, yet the steel trust put them in at \$700,000,000. The owner of a mill in Ohio purchased by the steel trust

told me personally that he was paid three times what it was worth. From these facts and other evidence extant it seems *conservative* to say that this trust was watered to the extent of at least \$800,000,000.

Alfred Henry Lewis, in the April, 1912, edition of *The World To-Day*, gives a few other conspicuous examples of watered stock. He says:

“The tobacco trust, formed upon an aggregate plant value of less than \$500,000, issued stocks and bonds for \$25,000,000. The Georgia Central Railroad possessed an actual investment value of \$3,500,000. Morganization ‘watered’ it to \$52,000,000. The ship trust based its bond and stock issues of \$71,000,000 upon properties not worth \$5,000,000. The street railways of Manhattan Island show bond and stock issues aggregating \$375,000,000. They cost—new—under \$75,000,000. The steel trust, in a recent year, supported a bond and stock situation, the gold-brick total of which was \$1,436,722,135. Four-fifths was ‘water.’ The story of any one of these gold bricks is the story of the sugar gold brick and those one thousand and one other gold bricks, which the Grand Central Petes and Hungry Joes of Wall Street are handing mankind every day.

“In the old Red Sea pirate times, Kidd, Avery, Singleton and their black flag fellows found harborage on the Madagascar coast. New Jersey—Trenton—has been for two decades the Madagascar of the trusts. In one year at the Trenton yards, pirate companies were launched with a total bond and stock issue of more than \$6,000,000,000. Only \$500,000,000 of this was honestly founded; the balance (\$5,500,000,000) was overcapitalization—‘water’—gold bricks.”

FREEZING OUT STOCKHOLDERS.—After making millions by unloading watered stock onto the people, the morganizers have another pet scheme for getting back that same stock at a much lower price than they sold it to them. Through manipulation in the stock markets, the market value of the stock is hammered down far below the price it has been sold to the people. Accepting as truth the lies told about the conditions of their company, many of those not on the “inside” believe their stock to be worth no more than the market quotation and they sell. This

stock is bought by the manipulators who sold it to them in the first place at a high price, and who now have pulled off the infamous deal to freeze them out. It is the rich who are on the "inside" and win, and usually the middle classes who sell and are fleeced. Thus the breach between the classes widens.

Considered without a bit of dispassion, it is simply amazing that the government of ninety millions of people will permit its citizens to be buncoed out of billions of dollars by the unscrupulous means of watered stock and the freeze-out.

CRIMINAL PUNISHMENT AVOIDABLE.—Corporations offer a bulwark behind which men can commit felonies with impunity which they could not do as individuals. They may break laws and be punished only with fines which they can well afford to pay.

DEBAUCHING THE GOVERNMENT.—Through malicious "business practices" such as those just described, the trust promoters are able to become so rich and powerful that they even make the government itself serve to still further plunder the people—and they get away with it. They secure the nomination and election of as many favorable legislators as they can, and bribe a sufficient number more to pass laws which will enable them to do what they desire and still "keep within the law"; they secure the passage of tariff and other laws which enable them to make hundreds of millions at the expense of the people; they secure the election or appointment of judges who will render decisions favorable to them; they secure the election of as many executives as possible who will not enforce the laws against them.

THE TWO-EDGED SWORD.—Aside from debauching the government and exploiting the people out of billions of dollars through watered stock and tricky stock juggling, the trusts have two other effective methods of exploitation which are so far-reaching that they can with one or the other, and in hundreds of thousands of cases with both, make every man, woman and child pay tribute to them.

The *theory* of trusts, as advertised by their promoters, is

beautiful. It is claimed that by combining kindred interests, goods can be produced and sold more cheaply, hence monopolies are good for the people. But the *actual practice* of the trusts is the worst possible thing for the people. The trusts wield a two-edged sword, the sharp sting of which few escape. They cut down wages on one side to cheapen the cost of production, and raise the selling prices on their commodities. Instead of the people getting the benefits of the economy, they are paid less for their work and charged more for what they buy—and the trusts pocket the swag.

KILLING COMPETITION.—The methods employed by trusts in annihilating competition are nothing short of a public scandal. The inhuman deeds to which men have stooped to take advantage of their fellow men are almost unbelievable. It has been a war to the death with no quarter, there has been no restraint in gaining their end.

When men are stirred to the point that they are willing to lay down their lives if necessary for a principle and make war upon each other, they respect and observe a code of rules in the name of humanity. But in the strife for wealth which has taken place in this country during the past thirty years, there has been absolutely and positively NO restraint in the methods used. No means have been too unfair, no weapon has been too inhuman, no deed has been too foul in this war of greed.

And when we consider that this struggle was not for any principle, was not conducted for the benefit of humanity, but to satisfy the lust of men for gold, and that those conspired against had done nothing more offensive than to be in business endeavoring to make a living, or because they refused to join in forming monopolies by which wages could be reduced and prices increased, it is surprising, to say the least, that in this enlightened age such deeds could be perpetrated with impunity. Impunity! Why, we almost bend the knee to these Captains of Infamy.

And now that these financial pirates have succeeded in eliminating competition to a negligible quantity and have placed them-

selves in a position where they are making millions, there are people who are willing to protect them in their foully gotten gains.

TRUSTS' EFFECT ON LABOR.—Whenever a trust gains control of a large part of any industry, among its first steps is to reduce the number of employees. In many lines the number of workers who can be eliminated is considerable. For instance, under competition, in lines in which it is necessary to employ salesmen, each firm has a number of men on the road to push their particular brands of goods. When these interests combine and competition ceases, a less number of salesmen are required. If the articles are staple, the dealers must have them, and as they can buy only from the trusts they will send their orders direct instead of waiting to be sold by salesmen.

In many lines it is not possible to dispense with salesmen altogether as the trade must be visited from time to time. But where competition is wholly or nearly eliminated, it does not require high class salesmen to do the work of "order taking," so lower priced men are employed. In the industrial as well as commercial lines, this policy is pursued.

The effect of throwing thousands of men out of employment through capitalistic combinations and the introduction of improved machinery, results in putting the working people into keener competition with each other to the detriment of all.

DESTROYING LABOR UNIONS.—After cutting down the force of employees as far as possible and filling the places of those who must be used with as cheap men as they can, the next step, and the one which will receive particular attention from now on, is to reduce wages of employees. This has not been done to a marked degree yet by the trusts as a whole because it has hardly been reached in the evolution. An industry must be almost entirely monopolized before it is wise or safe to do this. As yet, the trusts have not quite as good a strangle hold on the people as they want. But they are getting that hold and the time is not far distant when the wage conditions in this country are going to be far worse than they are today. The trust

masters have demonstrated that they will stop at nothing to make money.

Another reason the trusts have not made greater reductions in wages is that they can, during the evolutionary period, make as great profits as they *dare* by increasing prices of their products. The people will not revolt so quickly at increased prices as they will at a cut in wages.

The first preparatory act towards cutting wages is to destroy the unity of the men. As an organized force they can fight a reduction, but as individuals they are helpless—hence all unions are throttled as fast as is convenient and expedient. This accomplished the cutting of wages is then a comparatively easy process. The fight lies between the power of organized wealth on one side and single individuals on the other. It is like pitting a whole army against a lone soldier. And the tragedy of it is, we stand for it!

Mr. Louis D. Brandeis made this statement January 30th, 1912, to the Stanley Committee, appointed by Congress to investigate the steel trust:

“This is the situation in regard to wages: As compared to the period to which you refer, Mr. Young—that is, going back 15 or 20 years, going back before the elimination of the trade union from the Carnegie plant at Homestead—there has been a reduction, and a marked reduction, in the rate of wages, in the actual rate of wages paid skilled labor. That varies according to to various kinds of labor from a very slight percentage to as high as 30 or 40 per cent.” . . .

“The second position is that there has been a constant tendency, a perfectly natural tendency, to reduce the number of skilled men relatively in the industry, so that the men who receive relatively high wages are a very much smaller proportion of the whole than they were in the 20 years to which you refer.”

HIGH COST OF LIVING.—The most powerful factor of the many which the trusts have for making millions is through the high prices they are able to command. They cannot sell everyone watered stock, nor bamboozle everyone into disposing of it for a fraction of what it is worth; neither can they reach

everyone through low wages, but they can and do get something from every human being in the country who buys anything to eat, wear or use in his business, profession or home.

Aside from the modicum of cost incident to deliveries because of the advent of the telephone—which those who are holding us up endeavor to make the real scapegoat for present conditions—the high cost of living is almost entirely due to the trusts and their far-reaching influence. The price of thousands of articles have been *arbitrarily* raised by means of pools, combinations, secret agreements and other stealthy and unlawful methods which their perpetrators dare not commit openly, but which they burn the evidence of, lie about and even deny under oath.

Here is a far-reaching law. Arbitrarily increasing and maintaining the price of one important article in any line serves to raise the price of kindred articles whether or not they are controlled by the trusts, therefore, the trusts are not only responsible for the prices they raise, but for other high prices as well. For instance, the meat trust became so strong that it was able to increase the price of beef and pork. This naturally increased the price of other meats produced by farmers who were not connected with the trust. For example, if the price of beef increased 5 cents a pound, farmers saw that the profitable thing for them to do was to produce beef. Many of them did and there was a shortage of mutton and other meats. The law of supply and demand then increased the price of these meats.

The general increase in the price of meats lessened the demand for them temporarily, as people turned more to cereals and vegetable products for their foods. But the farmers were now raising stock, consequently the supply of earth productions being smaller and the demand being larger, the price of vegetables and cereals increased. Thus the original increase in beef was alone sufficient to increase the price of all food stuff. The abstinence from meat was only temporary, and as the packers controlled enough of the supply to maintain the high prices, the people finally

surrendered to the inevitable and paid them—and they are doing it yet.

These same processes operated to increase the prices in other lines in which any main article was controlled by a trust and its price arbitrarily raised.

In an effort to make it appear that high prices are not the result of monopoly methods, the trusts have coined the euphonious argument that our trouble is not due to the high cost of living, but to the cost of high living. Let us analyse the merits of this statement.

Some economists are not willing to admit that our standard of living has increased in the past half century. Possibly it has, but it certainly has not kept pace with the increase of wealth of the country nor with the increased earning power of the producers. There has been such an unequal distribution of wealth that the people at large have not received anything like their just share of the benefits of our progress, and a continuation of this inequality must inevitably result in a lowering of the standard of living of all except the rich as time goes on.

As a basis for a standard of living we must take into consideration both the increase in wealth and earning power of the people.

In 1850 the per capita wealth in the United States was \$307. Today it is about \$1,300, an increase of over 300 per cent. This certainly proves that we are *entitled* to a much higher standard than we had 60 years ago.

Regarding the earning power of workers, everyone must admit that improved machinery and methods have increased the productiveness of labor many, many fold, but wages have not increased accordingly.

Let us consider the best paid large class of workers today, the railroad men. They receive higher wages than they did in 1850, but not in proportion to the greater results they are producing. The invention of the air brake reduced the number of brakemen required, and the larger engines, better road beds and gen-

eral equipment enable several times larger loads to be drawn. It is true the men are working a less number of hours, but this is offset by the fact that their trains make much better time and they have far greater responsibilities. It is also a fact that freight rates have dropped, but the volume of business has increased many fold. Careful investigation seems to indicate that the wages now received have about twice the purchasing power, but the men are producing twenty-five times the results, therefore it is patent that even this best paid class of workers are not getting anything like the increase they should.

Let us consider a few other lines: Years ago men carried mortar and bricks up ladders on their shoulders. Today that is done by machinery and one engineer will now do as much work as several men did formerly. Sixty years ago letters were written by hand. Now a boy with a machine can turn out thousands in a day. A linotype operator can set several times as much type as men formerly did by hand.

Farming implements have been developed to the point that one man can cultivate a much larger acreage than he was able when the work was done by hand. Edwin L. Barker, of the International Harvester Company, claims that it takes ten minutes' labor now to raise a bushel of wheat, but it took five days' labor to do it 2,000 years ago. This is an increase of over 300 times in efficiency.

The advent of the telegraph and telephone and improved postal service have increased efficiency of production and the expedition of business to a wonderful extent.

We have noted that the introduction of ore-handling machines permits one man to do as much now as seven men did eleven years ago, but if we go back to the seventies, when the ore was wheeled out in barrows, we find that one man now can accomplish as much as 100 men did then.

It is unnecessary to multiply examples. Everyone recognizes the progress that has been made. There is probably no industry in which improved machinery, methods and facilities have not at

least doubled the efficiency of producers and there are some in which one person can do more than 100 did before. It is difficult to get satisfactory statistics on the increased productiveness among all workers, but it is certainly conservative to say that the average man produces five times as much today as he did sixty years ago.

In view of this fact and the fact that our per capita wealth has increased over 300 per cent, it follows that if there had been a fair and just distribution of wealth, our standard of living should have increased from 300 to 400 per cent in the past sixty years.

Dare even the predatory interests claim that such is the case? Certainly not, and their argument that our trouble today is due to the cost of high living rather than the high cost of living is not valid. It is a sophism invented to divert attention from the real cause, which is that the producers are not getting their just share of what they are earning. The distribution of wealth is inequitable.

What of the Future?

The savage never thinks of the morrow, the civilized do, and when we consider the present unfair conditions and unequal opportunities we naturally ask: "What of the future?"

When we see a few men at the head of great trusts, entrenched behind their fortresses of gold, not satisfied with more millions than they or their children or their children's children can need, still laying siege to the people and making them pay tribute, we ask: "What of the future?"

When we see men spurred on by their insatiable greed for gold, corrupting our public officials that they may "legally" plunder the people and keep out of jail, we are forced to ask: "What of the future?"

When we see the incentive taken from young men to go into business, work hard and build up a profitable trade because they feel that it would be but a few years until some trust would gobble up the fruits of their sweaty days and sleepless nights, we ask: "What of the future?"

When we see the business of the wealthiest nation on the globe paralysed, hundreds of thousands idle, the cost of living increasing, and the great Captains of Infamy daily laying plans to widen still further the financial breach between themselves and the poor, we are not acting as civilized beings unless we consider seriously the future.

Continuation of our present system of wealth distribution must make conditions worse. Every day the employees of the trusts work, a few millionaires are greatly enriched and the workers become relatively poorer.

COMBINING THE TRUSTS.—The trusts are still in the evolutionary state. The next logical step in centralization

is a combination of the trusts themselves. This is inevitable in the evolution of the monopoly idea. Unless something intervenes, a combination will be effected not many years hence which will result in one great trust instead of the present horde. Indeed it is not impossible to conceive an international trust wielding a world-wide influence. When either of these events take place, the solution will lay not in the ballot, but in the bullet, and God forbid that the world should ever witness such a spectacle!

If present conditions continue, we can foresee a condition not unlike that which existed in the Roman Empire at the time of L. Marcus Phillipus, when 2,000 people owned all of the land. Business enterprise and industry were at a standstill. There was little or no work for freemen. In self protection the rich built great amphitheatres like the Coliseum in order to divert the minds of the people from their unjust condition, and they fed them at public expense to prevent a revolution.

OLD AGE PENSIONS.—History is already repeating itself in England. She is paying thousands of pounds annually in old age pensions. That is simply another form of the pacification measures used by the Roman patricians to keep the plebeians from uprising against them. The only difference is that in Rome they gave food direct, in England they are giving money to buy the food.

England is doing a humane act in taking care of its poor, but the old age pension is no real solution. It is paternalism which must continue to breed paupers. *What the people want and ought to have is not charity, but a chance.* Let England or any other nation enact laws enabling those willing to work and save, to receive a just return for their labors, and a nation of thrifty, independent citizens will grow up, few of whom will need charity from the state or individuals when they get old. The poorhouses will be inhabited only by the lazy and unfortunate—a few of whom we will always have to take care of. But even the number of these can be reduced by compulsory insurance.

There are thousands of beneficiaries of England's paternalism who would be independent to-day if they had received what they had earned.

So long as England or any other nation permits concentration of wealth beyond the danger line, so long will she have to take care of her people through money taken from her coffers or let them starve. An English writer has studied conditions in London for years asserts that a million people are existing there on less than enough to buy the necessities of life. Thousands upon thousands have no work at all and are being fed by public and private charities. The next step, as in Rome, is to provide entertainment to divert their minds, and we need not be surprised to read any day of free moving picture shows being established for this purpose.

England is traveling the Roman road. And there are others in her wake. She is simply in advance of us. We are now advocating old age pensions. We are now furnishing text books free to the poor at the expense of the State, and private charity is feeding and clothing thousands. Leading educators and others are advocating that the State provide free meals, free eyeglasses, free medical and dental care. Some even go so far as to advocate free street car rides to and from school.

I am in favor of everything that will help the children, I certainly want to see them well fed and clothed, and I think the State should pay for medical inspection and insist that the children get the treatment they need. But I am equally firm in the belief that the parents should pay the bills. If a man brings children into the world and will not work to provide the necessities of life for them, he ought to be made to do it. If he is willing to work, but can't get employment, then I am in favor of the State bearing his burden till he can. But we are not the nation of freemen we boast of being unless we take the necessary action to make it possible for every man to earn a livelihood for himself and family, and thus *remove the necessity* for this paternalism. Unless we do, shall the State not next be paying rent that those children may have shelter? And furnishing fuel to keep them warm, and lights that they may study, and who can say where this paternalism would end?

The fact is we are destined not only to reach England's stage, but to surpass it unless we act and remove the cause of poverty instead of relieving the pangs of present hunger. *A loaf*

of bread will satisfy a man today, but he will need another tomorrow. Give him a chance to earn that loaf today and he can buy it tomorrow.

Solutions Offered

So oppressive have conditions become that people on every hand are endeavoring to solve the problem of living. Their efforts are highly commendable and in some cases they aid a limited number of people, but I have yet to see a solution offered which its most ardent advocates can conscientiously claim will strike the shackles from the economically enslaved everywhere. The possible exception for such a claim is Socialism, which will be exposed in due course.

From various sources comes the proposal to right things by fixing a minimum wage scale by law. Suppose that were done, what guarantee would a man have that he could get even one day's work in a year at any wage? And what assurance would he have that prices of food, clothing and shelter would not increase in proportion to his wages?

THE STARVATION METHOD.—There is formed in Cleveland at one time or another the "No-Meat Club" or the "Thirty Cent Egg Club," the members of which pledge themselves to eat no meat or eggs until the price is reduced. This may secure lower prices on these foods temporarily, but not permanently. If the price is reduced, the people begin to eat the boycotted article again. The price goes up to its former level—or higher to offset the loss. Then there must be another abstinence to secure another reduction. But why should the people be required to go without meat, eggs, or any other food to be able to buy them at a fair price?

ELIMINATING THE MIDDLEMAN.—The Mayor of Indianapolis buys potatoes and sells them direct to consumers below the market price. That helps a few people save a little on potatoes. But could this system be extended to include everything needed, it would not guarantee us the opportunity to make

money to buy potatoes or anything else, no matter how cheap. It would simply eliminate the middleman whom we need. We are willing to pay him a reasonable amount for service and could well afford to do so if we were getting a fair share of what we earned. But if our unjust system of wealth distribution causes us to eliminate the middleman in order to continue to pay tribute to the moneyed interests, then we are retrograding, we are forced back to barter as in days of old.

Another effort to get relief is through co-operative societies which are organized to buy food and other necessities. These at best can only avoid in a limited degree the middleman's profit and they give no guarantee of an income. They do not remove the fundamental cause of the trouble.

I am for regulating the all combination in restraint of trade, whether they be formed by three grocers in a village or by a score of multi-millionaires in Wall street, who seek to control the world supply of any commodity. But efforts to correct conditions will be futile if we regulate or even eliminate those three grocers—the middlemen, without controlling those higher up. The latter in hundreds of cases already control the source of supply, and they have themselves eliminated thousands of independent middlemen, but we have no relief. We will *never* get relief until we remove the *source* of our trouble.

POLITICAL REFORMS.—The Initiative, Referendum, Recall, Short Ballot, Commission Plan of Government, and similar schemes are being enacted throughout the country. While these are for political reforms principally they aid somewhat in economic reform. I believe in them, but they certainly are not sufficient to cope with the great problems which confront us. They are all right as remedies for such troubles as would in the human system correspond to boils, colds, and croup, but they certainly would not cure organic troubles like heart disease.

WOMAN'S SUFFRAGE.—I look upon the movement for woman's suffrage as a protest against existing conditions. As one of my friends expresses it, she does not care to vote but she

does want an improvement in the status of affairs so her children will have better opportunities than are afforded today. She feels that if men will not take the necessary steps to correct evils it is incumbent upon the women to see what they can do.

This motive is certainly commendable, and one can have no objection to women voting provided that without unsexing them it would improve conditions. I feel that women could exercise the same intelligence in voting as men, but I'm not persuaded that an utopian condition would be the immediate result of their being granted the right of franchise. To bring about that result, we must have better laws and better executives.

I believe that if women spent the same time and energy endeavoring to bring about reform that they are now in trying to get the right of suffrage, they would accomplish as much good for humanity in the end and raise the standard of womanhood at the same time. I sincerely hope the time is not far distant when conditions will be so improved that conscientious, progressive women will not feel the necessity or desire to vote.

When women have the right of suffrage they will naturally seek office, and every movement in this direction is an influence which leads them away from their home duties. Speed the time when the pendulum will swing back and there will be a recession of women from the marts of men toward the home where woman can wield her greatest influence and rise to her highest sphere. To me, woman attains her greatest glory, she occupies her noblest position in the place intended for her by the All-Wise Creator of the Universe—as Queen of the Home.

CARNEGIE'S WIDOW FUND.—Carnegie's endowment of \$25,000,000 to provide for needy widows is commendable. But it solves nothing except present hunger. If the husbands of many of the widows who will benefit by this fund had been properly compensated for their labor, their widows would not be humiliated subjects of charity today. It's the same as the case of England already mentioned.

LABOR UNIONS.—Labor unions are about the only effective bulwark to-day between wealth and pauperism. Their existence serves measurably to keep up the wage standard to the benefit of unaffiliated as well as associated workers. But labor leaders themselves admit that even though labor and capital are able to agree on terms, this would not really solve the economic problem. They realize that capital has the power of controlling prices of commodities and can get back any increase in wages twofold.

But unless the power of trusts are checked, even this fortress is doomed, for monopolies destroy unions just as fast as they are able. Their policy is to permit nothing to exist which stands in the way of doing as they please in the accumulation of wealth.

Under our present system of combinations of capital on one side and combinations of employees on the other, both striving to get advantage over the other, an unwholesome condition exists. As a matter of fact their interests are interdependent, and under a just system of profit sharing, such as would result from Individualism, both sides would work together to mutual advantage.

Since capitalists are permitted to combine for mutual advantage, workers must in justice be accorded the same right. It is not fair to ask an individual employee to deal with a great trust. Labor unions can never become a menace like trusts. The rich have sufficient funds to provide the necessities of life for themselves and their dependents and they can hold out indefinitely in case of strike. But the means of labor are limited and in case of strike a time comes when they have to give in. Therefore, until a better system of wealth distribution can be materialized which will give capital and labor an incentive to work for their mutual interests, labor should not be discriminated against by the courts as they have been in the past.

REGULATION.—A few years ago the wail of unwholesome conditions came only from the poor. To-day we hear the pitiful cry for a new deal going up from the rich also. This is

a peculiar condition which will be interesting to analyze that we may determine the cause.

During the past three decades enormous fortunes have been accumulated with great rapidity through stock jobbing, bunko deals, trusts, pools, combinations, secret rebates, and kindred means. The wealthy have pursued a "public be damned" policy. They have had, relatively speaking, no consideration for the peoples' rights. They have taken every possible means which could be devised to filch money from them and stay out of jail. And to prevent the latter inconvenience, it is notorious that they have bought legislators, big and little, and have had favorable laws passed which would permit them to "obey the law" and still continue their pilfering. Even the judiciary has not been sacred to them. In hundreds of cases men have been raised to the bench, not to administer justice, but to bar it.

But, to use a trite saying, "they reckoned without their host." Something happened which was not on their program. Without being effusive, we can say that the American people have still enough good red blood in their veins that they will not stand for everything. There is a limit, and a few years ago the worm turned. A new deal was demanded and lately we have been enjoying a wave of reform. So strong has the demand for new conditions gone up from the people that those in power have seen the handwriting on the wall and acted accordingly.

Prosecutors have become busy, the money pirates have been haled into court, and they are now begging for mercy. On Jan. 10, 1912, Andrew Carnegie, appearing before the Stanley Steel Investigating Committee at Washington, in discussing the Standard Oil and tobacco decisions, said:

"The offenders in general (there may be exceptions) so far under the Supreme Court decision should be gently dealt with if they can plead misunderstanding of the law."

My, how the mighty are fallen! How humiliating it must be for the elect to beg for mercy from just ordinary, everyday human beings.

This same cry is going from the Captains of Infamy everywhere—"We didn't know we were doing wrong." But deep down in their hearts they are saying to themselves, and to each other—only to each other—in regard to the Sherman Anti-Trust Law, "We didn't know it was loaded."

These men who are "in bad" now want to let bygones be bygones. They are willing to be forgiven for their little mischievous stunts of combining billions of dollars of capital in direct violation of the law, stifling competition and robbing the people of hundreds of millions by means of watered stock, freeze-outs, and other little tricks of the trade. They would now like to be "gently dealt with." And they would like, if you please, Mr. People, they would like a "Commission" appointed, a Commission of "business men," not impractical fellows like lawyers, but a bunch of good fellows like themselves, who could read over the laws and see what they really do mean, and then tell them just what they could do and what they couldn't. A Commission that should, to use Mr. Carnegie's words, "examine all details, ascertain cost of production, adding to this such amount as in its judgment will yield a fair or even a liberal return upon capital when skillfully invested and properly managed. The maximum selling price to consumers to be fixed by the court, based upon the average cost price of production in well managed up-to-date works."

Of course we would naturally expect the most worthy "Commission" to base their calculations on the steel trust, for instance, on \$1,400,000,000 capital and bonds—overlooking the fact that something like \$800,000,000 of it is water. Why certainly. The merest courtesy would demand that.

Now, what is this move? Is it a square deal or a frame-up? Well, I confess my inability to read minds and I can't say for sure, but I can and do have an opinion and it is simply this:

The leopard doesn't change its spots and I am firmly convinced that the men who control "big business"—"the system"—

have not become conscience stricken and overflowing with remorse simply because they have found themselves momentarily in a tight place. It isn't reasonable to believe it. They still want to control affairs as much or more than they did before, and they are simply playing for time until the ire and vigilance of the people have subsided and they can get a new strangle hold upon them.

"Regulation of trusts" a remedy? In the light of experience, to attempt to regulate trusts without curbing the power of the *individuals* behind them would be as foolish and futile as to attempt to reach the North Pole in a duck suit and a straw hat.

Away back in 1887 the Interstate Commerce Act was passed as a direct result of the exposure of the scandalous practice of the Standard Oil Company in not only getting rebates from railroads on its own shipments, but on its competitors' shipments as well. And we know what terrible things that Interstate Commerce Commission has done to the Standard Oil and all other corporations in the past quarter of a century.

And, by the way, we have noticed the dire results of the terrible solar plexus blow recently dealt the Standard Oil by the Supreme Court. That Company has been busy since "cutting melons" in the shape of millions of dollars and distributing them among its stockholders. One would naturally infer from this that it was not going to take so much capital to conduct its business under the new plan, but on second consideration it seems that this money is to be retaken from the people, as its prices have gone up. The excuse given is that it costs more to operate under the new scheme. Oh, well, we have known for a long time that it is pretty hard to slip one over on John D. His trust seems to have a well defined, time honored policy that the people stand all its losses and the company makes all its profits.

In the past twenty-two years, since the Sherman Anti-Trust Law was passed by Congress and hundreds of other laws to prevent pools and combinations in restraint of trade have been

enacted by the various States, practically all of the great trusts have had their birth and growth. A veritable horde of Frankenstein's, big and little, have grown up under laws enacted to stifle them.

The men who formed the great trusts are now begging to be "regulated." Since they have wilfully defied the law in the past, what assurance have we that they will respect it in the future? And since the law was unable to prevent them from combining while operating individual companies, how in the name of common sense is it going to regulate their actions now that they have combined and are therefore infinitely more able to resist?

Furthermore, if these men are sincere in their desire to do what is right and just, why should they ask or desire laws to regulate their actions? Is it possible that they have lost control over themselves? Have they become like a man who, for instance, has committed many foul deeds and wants to reform, but is afraid he cannot control himself, so he goes to the authorities and asks to be locked up so he can commit no more wrong?

Men of Troy, beware the wooden horse, "Regulation." Should you draw it within your gates, hidden within its vitals will be found that trust formed instrument, "The Commission," whose baleful, insidious, destructive power will crush the life of your women and children and destroy the penates of your fire-sides.

Rockefeller, Carnegie and Morgan with a dozen others, control the destinies of the ninety odd millions of people who inhabit these United States. Our boasted republic of freemen is controlled by an oligarchy whose untold wealth and the dominating influence which it gives them is more powerful than a standing army. They hold the sinews of war. There is only one way to "regulate" them and that is to shear them of their power as the Philistines did Sampson of old. I believe we should do what we can to regulate the trusts, but to make this effective we must regulate the individual. Until the units of society are reduced in their financial strength, until they can be made amenable

to the law, there can be no effective regulation of their combinations. Properly regulate the individuals and the regulation of the trusts will be a comparatively easy matter.

GOVERNMENT OWNERSHIP.—Another remedy proposed is public ownership. Those who advocate this means of besting the trusts thereby admit the inability of the government to control the creatures which have grown up under its protection. This is a sad commentary on our boasted system of government, and while I admit that we are virtually governed by an oligarchy today, I am not willing to admit that the people have not the power to so change their laws that they will again become supreme.

I am sure that if the wealth accumulations of each individual are limited to what he should justly have, that it will not be necessary for the government to go into the coal mining business in Alaska to compete with the coal barons who are holding up the people of the Northwest for exorbitant prices; that it will not be necessary for the government to take over the eighteen billion dollars' worth of railroads in this country in order that just rates and conditions may be secured for the producer and consumer, or do many of the other things which the public ownership enthusiasts propose.

Let us see what would happen if those who believe in government ownership were to carry out their program. In the first place, if the government started in to compete with private enterprise to keep down prices and keep up wages, it would have to compete with every trust in the country. This would necessitate buying from 40% to 50% of each industry controlled by a trust. It would, in most instances, have to buy from the trusts themselves. The trusts owners would then have billions of dollars of capital realized from the sale of property to the government, besides still owning approximately half the business of the country. Since they practically run the government now they would be infinitely more powerful to do so then. And our last state would be worse than the first.

INDIVIDUALISM VS. SOCIALISM.—Socialism is one of the many evils which have resulted from the world's inane policy of permitting human avarice to go unrestrained. It has attained more or less popularity for the following reasons:

(a) Because it has been intensely advertised; (b) because, like a free lunch, it offers something for nothing, and (c) because the people are so thoroughly disgusted with existing conditions that, like a drowning man who grasps at a straw, they are willing to accept even a dream in the hope that it will turn out to be a reality.

I have great respect for the intentions of many who subscribe to its doctrines. I believe them to be sincere, but misguided men and women who are anxious to do something to better the status of humanity, and have been lured to Socialism by its social reform program, the aims and ends of which all humanitarians endorse. But Socialism is subtle and insidious. Its evils lie beneath its cloak of social reform. Its ultimate program is so enervating, impractical, selfish, anarchistic and vile that when its decent, well meaning advocates learn what it actually is they forsake it forthwith.

Let us see from the writings and speeches of its leaders what its program really is, and what would result from its adoption. At the same time we will compare it with Individualism and note that one is the direct antithesis of the other.

ENERVATING.—Socialism would centralize all ownership and power as far as possible in the government. The people would become mere cogs in a great machine. The routine and lack of independent action would dwarf them much as an orphan asylum does its inmates. Individualism would leave ownership of property and power with the people as far as possible and practical. This would put each one on his own merits, thereby developing the race. People would have even more of an opportunity for independent effort than under our present Liberalism, for hundreds of thousands are now dominated by trusts which

make working conditions similar to what they would be under Socialism.

Socialism would lower the standard of intelligence and decrease energy because all workers would be compensated equally according to the number of hours they worked, irrespective of the kind or amount of work they did. This would remove the incentive to self improvement and individual effort. Under Individualism the standard would be raised as workers would be compensated according to both the quality and quantity of their work.

IMPRACTICAL.—Socialism is impractical because it proposes to treat all men as equals in their earning capacity. They are not equal in this respect and no set of human laws can make them so. Individualism is practical because it recognizes the inequality of men in their ability to accumulate wealth, and would permit each to exercise his ability 100 times beyond the average.

Socialism is impractical because its success would require each person to work for the common good. This is an ideal condition which we would all like to bring about, but in dealing with human nature we must take it as it is and not as we wish it were. Individualism recognizes that people are more or less selfish, and it would take advantage of that by making it an incentive for them to help each other in order to help themselves; for example, by sharing profits as will be explained at length later. Those who were thoroughly selfish would be curbed from carrying their passion for money making to a point where it could injure others as now.

Centralization of wealth is always dangerous, as it gives a few strong men a better opportunity of getting control of it than they would have if ownership were well distributed among many individuals. Therefore on this point Individualism is far better than any form of communism.

ANARCHISTIC.—Socialists advocate a Red Revolution if necessary to establish their system of philosophy. Individual-

ism would establish itself not through violence, but through the legal procedure prescribed in the basic law of the Nation.

ATHEISTIC.—Socialism would destroy Christianity if it could. Here are two of several extracts taken from *The Common Cause*, February, 1912, which show just where the leaders of this movement stand:

"It is our duty as Socialists to root out the faith in God with all our zeal, nor is any one worthy the name who does not consecrate himself to the spread of atheism."—Wilhelm Liebknecht in *Materialist Basis of History*.

"Christianity is the enemy of liberty and civilization. It has kept mankind in slavery and oppression. The Church and State have always fraternally united to exploit the people. Christianity and Socialism are like fire and water."—August Bebel in *Vorwärts*.

Socialism would not only attempt to destroy Christianity, but the sacredness of the family as well, by making the marriage contract one of convenience. A man and woman being permitted to dissolve the bond at pleasure without civil or religious sanction. Individualism anticipates no change in respect to the marriage laws.

Free love is commonly advocated by Socialists, and one prominent writer whom I have read makes the nauseating suggestion that the time will come when young people may gratify their passions without shame.

And this is but an inkling of the foul vileness of Socialism which, under the cloak of "social reform," has crept into our midst; whose deadly poison has inoculated more than a million of our people. Were it possible that Socialism should become powerful enough to put its tenets into force, we would have a condition a thousand times worse than under our present Liberalism.

Socialism is like an ugly sore on a man's face. A doctor may come, look at it, and declare that it should not be there. But though he talk a year against it, and do nothing to remove the cause, it will remain there still; it will increase its deadly in-

fluence, and finally end the life of the patient. Liberalism is fostering Socialism, we must eradicate the former from our economic system or take the consequences of the latter.

* * *

(To learn what Socialism really is see *The Common Cause*, New York City, or *Socialism: The Nation of Fatherless Children*, by David Goldstein, Boston.)

The Solution

As stated at the outset, our economic troubles are due primarily to the fact that some people have too much wealth, others too little. My solution is to limit each individual to \$100,000 of commercial property, permitting him to retain in addition an unlimited amount of non-commercial property.

By "commercial property" I mean all wealth except that which is owned and used for personal shelter, food, clothing, pleasure, luxury, charitable and religious purposes. Under this arrangement therefore, each individual could have:

(1) An aggregate of \$100,000 of commercial property, such as money, notes, stocks, bonds, machinery, boats, and improved or vacant land used or held for private gain, rented or otherwise;

(2) An unlimited amount of non-commercial property held for personal use, such as a homestead, including any amount of land actually used for homestead purposes, food, fuel, furniture, clothing, fine art, jewelry, automobiles, etc., used for pleasure.

Under this arrangement a pope, bishop, rabbi, congregation, religious order, or any strictly eleemosynary or educational institution not conducted for profit could have an unlimited amount of church or institutional property, as that would not come under the head of "commercial property."

IS THE LIMIT HIGH ENOUGH?—I think *everyone* will admit that it would not be well if one person owned all the money in the world, therefore there must be some amount between

nothing and everything to which each individual ought to be limited. But we have become so accustomed to think of men possessing millions, and even hundreds of millions, that the question naturally arises, "Is the proposed limit high enough?"

In considering this it should be borne in mind that the limitation is put on the *individual*, not on a family. Women and children could each have as much as men.

The legitimate uses of wealth are as follows: To provide (1) the necessities of life; (2) a surplus for the "rainy day"; (3) for religion, charity and other benevolences; (4) bequests for dependents, and (5) luxuries. Let us see if the amount permitted to be held is not more than sufficient to amply provide for all these legitimate uses of wealth.

To the rich the cost of actual necessities of life are not great, relatively considered. They include food, clothing and shelter. A person can eat only three meals a day—safely, he can wear only one suit of clothes at a time—comfortably, and he needs only one roof to sleep under. For a family of five, the following amounts would be ample: Food, \$1,500; clothing, \$1,000; rent \$1,500. If the head of a family of five, worth in toto \$500,000, worked, his salary ought to be at least \$2,000. Four per cent net on \$500,000 would provide an income of \$20,000, making the total income for the family \$22,000. The limit would therefore provide for the necessities and leave a surplus of \$18,000, which must be disposed of. And \$18,000 a year for a family ought to be ample for recreation, religion, charities, luxuries, etc.

The individual income on \$100,000 capital would be ample provision against old age or other non-producing periods of life. Insurance could be carried to provide for these exigencies also.

At the death of any member of the family his \$100,000 would be available for bequests.

This analysis shows that the limit is ample for each individual to provide for his own uses and do something for his

fellow man—but not sufficient to permit him to do much *against* him.

Let us consider the limit from another angle, the superior earning power of one person over another. If all individuals were equal in this respect and had the same opportunities, they would each possess an equal share of the wealth of the country. But since some people are more capable than others, and willing to work harder to earn and make greater sacrifices to save, they should be permitted to have more than the average.

The per capita wealth being \$1,300, and our limit being \$100,000 plus an unlimited amount of non-commercial property, which could amount to \$30,000, this would permit one person to have at least \$130,000 commercial and non-commercial property combined, or 100 times as much as the average.

If all men had approximately even opportunities, would one man be more than 100 times stronger than the average? Consider it on a physical basis. Can one man shovel more coal than 100 men? Can one carpenter drive more nails than 100 others? Can one mason lay more bricks than 100 others? Obviously not; therefore, on a purely physical basis, the limit is high.

Mental ability is more difficult to measure. Can a lawyer or a doctor or a salesman do 100 times as much as the average man?

The immense fortunes in this country, as we know, have been made through laws which favor the rich at the expense of the poor, through illegal combinations of capital which permit the cutting of wages and the arbitrary increase of prices, through the sale of watered stock, through the freezing out of stockholders, and numerous other unjust means and measures. In respect to crookedness and injustice, I am willing to admit that some men are more than a hundred times as adept as the average, and this is the trait in human nature which Individualism would curb.

There is one other feature to consider. Can one person be 100 times more saving than the average man? Suppose 100 men are earning \$100 a month each. A few will spend more than that and run into debt, others will spend just that, but it is

conservative to say that at least half will save an average of \$10 each. The 50 will therefore save \$500. As this is 5 times as much as any one of them makes, it is obvious that one person cannot save as much as even a small per cent of 100 average earners.

In view of the above I feel that the limit is just, ample and even liberal from every standpoint.

Results of Individualism

Individualism is not a panacea which is guaranteed *per se* to cure all the ills that "flesh is heir to," but it would remove the fundamental cause of present conditions, and thereby permit many wholesome reforms to be accomplished. There would be no great power behind the throne as now to thwart the will and interests of the people.

Individualism is not warranted to make the lazy lively, nor to make the spendthrifts save their money, but it would give those who are anxious to work and lay up something for the future a chance to do so. It would help humanity materially, mentally and morally as I shall proceed to demonstrate.

MINIMIZE POVERTY.—Since Individualism would result in a more equal distribution of wealth, it would necessarily minimize poverty. There is a limited amount of wealth in any country. If a few men get control of most of it, the others must necessarily have relatively less. And if the centralization continues far enough, the time comes when some people have so much wealth that they can enjoy every possible luxury and still not consume even a fraction of their incomes, while others have to struggle along on the edge of starvation.

That is the condition we have reached. A few American citizens own HUNDREDS OF MILLIONS of dollars' worth of property each. And yet there are tens of thousands of other American citizens who would not realize enough to pay their

grocer and landlord, if the furniture and clothing of the whole family were sold.

This winter I went into a "home" in this city and found this condition, which is typical of thousands of others: A father, who had been unable to secure work for several weeks, a mother sitting on a box by a kitchen stove, containing but a meager fire, trying to keep warm a ten days' old baby, *born in below zero weather*; three small boys—one without shoes or stockings, another with mittens and cap to aid the spark of fire help keep him warm. These 6 American citizens possessed, collectively (with 3 months' rent unpaid), about \$8 worth of junk furniture and clothing, and 2 *potatoes*. The latter being the remains of what had been supplied them by the city.

And the combined wealth of two men in this country exceeds ONE BILLION DOLLARS! Look at the line of figures—\$1,000,000,000.00.

Under Individualism there would be just as much wealth as before, but there would be no Carnegie, who could GIVE AWAY TWO HUNDRED MILLION DOLLARS to perpetuate his name, while an able-bodied man who was willing to work could not have more than 2 potatoes to keep his family of six from starving.

The per capita wealth in the United States, figuring ninety millions of people and one hundred and twenty billions of dollars' worth of value, is about \$1,300 each. If Rockefeller has \$800,000,000, as reputed, he has over SIX HUNDRED THOUSAND TIMES as much as the average person in the United States; he could give every man, woman and child in the city of Cleveland \$1,000 each and still have practically \$240,000,000 left; by giving away \$5,000 a *minute*, working 8 hours a day, it would require, to dispose of his wealth, 333 DAYS!

But wait, my friends, be not alarmed at such an inconceivable aggregation of affluence. Remember, Congress in Washington is on the job. Our representatives are looking after us "back home." They are seeing that we are going to get a square

deal. Yea, e'en now they are wrestling with the mighty problem of coining a half-cent piece so our wives can grab up the corner grocer's bargains. With such wise and judicious masters at the helm of the Ship of State, what need we fear for the future? Let John D. revel in his Eight Hundred Millions; if this question be decided in favor of us, The People, we shall soon be able to jingle a new, bright half-cent piece against the night key in our jeans, and then we'll all be happy. Hats off I say to those noble patriots who have the keen vision to see the crux of the high cost of living, and solve it by that master stroke of statesmanship—The Half-Cent. With that formidable weapon in David's sling, the John D.s and other Goliaths had better seek refuge in the woods forthwith! We'll buy a half-cent's worth of oil or potatoes and let the remainder perish on their hands. The half-cent will solve the high cost of living—NOT.

Under Individualism there could be no Rockefeller wallowing in this mass of wealth while millions of just as honest American citizens have to figure down to the half-cent; while the mothers of the 6-year-old infants drag them along the streets at dawn to labor all day in mills, as is done in hundreds of cases in this country today.

Under Individualism there would be no trust-made magnates who could give their wives pearl necklaces which cost \$500,000, or even \$200,000, while thousands and thousands of their fellow countrymen did not have enough clothing to prevent them suffering from the rigors of zero weather.

Under Individualism there would be no favored few who could amass hundreds of millions by means of tariff protection and underpaid labor which brought about living conditions so inhuman and intolerable that it caused a Homestead strike, the horror of which, after 20 years, is still deeply impressed upon the memory, or a coal strike, or a McKeesport, Lawrence, or others of more recent memory.

MINIMIZE TRUST EVILS.—Individualism would reduce the insidious influence of trusts, or huge combinations of

capital, by eliminating watered stock, destroying the incentive to filch both the employee and the consumer, and aiding both directly and indirectly in restoring competition. While doing this the legitimate usefulness of great corporations would not be impaired, and our commercial supremacy would be as marked as now.

EVAPORATE WATERED STOCK.—Individualism would automatically squeeze water out of stocks of the great corporations. A man who had in excess of the limit would naturally list his stock at its true value when The Readjustment took place.

RESTORE COMPETITION.—A great many men have been forced unwillingly either to amalgamate with the trusts or be ruined. They are capable men of independent temperament and prefer to be at the head of small business enterprises of their own than to be nobodies in great corporations. As soon, therefore, as the greedy multi-millionaires are shorn of the power and incentive to crush competition at any cost, just so soon will these independents re-establish themselves in business.

A NEW BUSINESS POLICY.—Under Individualism we could still have as large corporations as now but there would be different motives behind their owners. The minority stockholders would have far greater consideration. They would have a real voice in the election of directors, and I have enough confidence in the people to believe that if the control of any company was divided with tolerable equality among a large number of people they would not permit the Two Edged Sword used against the wage earner on one side and the consumer on the other.

MORE STEADY EMPLOYMENT.—Individualism would make employment of labor more steady. That is almost as important to the laboring classes as high wages, many never having been trained to save for the rainy day. If the annual income of a man was limited to \$1,200 a year, no matter how much he worked, it would be better for him and his family to

make \$100 a month for 12 months than \$200 a month for 6 months and be idle the rest of the time.

Mr. Louis D. Brandeis of Boston, in testifying before the Senate Committee on Interstate Commerce in December, 1911, stated that for nearly four years the plants of the United States Steel Corporation were operated at little more than two-thirds their capacity. The company is so large that it cannot keep all the men employed all the time. Under Individualism there would be no incentive to have a company so big that it could not keep all its plants in operation. Under our present Liberalism, if a millionaire can keep half, or even a quarter, of his wealth bringing in an income all the time; he does not have to worry about getting along. But if a man were limited to \$100,000 he would endeavor to keep all of it working all the time.

When companies are too large, they not only cannot keep their plants in operation continuously, but they cannot maintain the quality of their product. This also has been demonstrated in the case of the steel trust, as evidenced by the greatly increased number of railroad wrecks during the past ten years.

The fact that an employer of labor were limited in his holdings would also cause him to take such steps as would insure his *retaining* the maximum amount and secure a good income therefrom. Therefore, instead of getting all the work he could out of his employees and giving them as little as possible in return, it would be to his advantage to aid them in every way he could. Their prosperity would insure his prosperity. Here are some of the steps he would find it to his interest to take:

(1) INCREASE WAGES—To pay as high wages as he could afford in order to attract and retain the most reliable and most skilled men in his line of work.

(2) SHARE PROFITS—To share profits with his employees on a merit basis and thus induce them to put forth their best efforts.

(3) **IMPROVE WORKING CONDITIONS**—To improve the working conditions of his employees to increase their efficiency and insure their loyalty.

If some employers were so selfish that they would not voluntarily make these concessions or were so short sighted that they could not see it was to their interest to do so, they would be compelled to in order to save themselves. Suppose there were three machine shops in a town, each employing 100 men. If the owner of one, to insure the retention of his maximum limit of capital and derive a good income therefrom, increased the wages of his men, gave them a share of the profits and improved their working conditions, and the proprietors of the other two shops failed to do likewise, their men would naturally apply to the up-to-date man for work. He then would be in a position to select the best workers in that industry in the town. This will give him a great advantage over his competitors, and they would be compelled to follow suit in self protection.

Practically the same process would militate to raise the wages of workers whose employers were not directly affected by the new order. Suppose a lawyer was paying his stenographer \$50 per month. If he were not so affluent as to find it necessary to increase his stenographer's salary to help rid himself of his surplus income, he might not voluntarily do so. But if the factories in his town raised the salaries of their stenographers, he would then have to do likewise or his stenographer would get a job with one of them and he would have to take an inferior worker at \$50 per month. A similar adjustment would take place in every department of effort. Individualism would therefore make for equalization all along the line.

But the lawyer and others similarly affected could well afford to meet the increase as their net income would increase. Those who now have wealth in excess of what they need and should have are the only ones whose incomes would be decreased under Individualism.

WOULD INCREASE CONSERVATISM.—Present opportunities for making great fortunes quickly through stock

jobbing and gambling in the markets tend to make gamblers. The new order of affairs would prevent this to a large degree. Furthermore, it would aid materially in making the people more conservative.

When men did business as individuals or as partners, they were personally liable for debts and were necessarily conservative. Today a corporation can gamble any amount in the business world and if it loses, its stockholders cannot be held for more than the face of their stock. If the amount of wealth which a person could own were limited, it would largely remove the incentive for him to take a chance on making "a big winner," because he could not retain it if he were successful. Furthermore, he could not so well afford to take a chance of losing.

In addition to all the above, men would further discount their chance of loss by resorting more extensively to insurance. Fire, life, accident and sick insurance are common now. These forms would not only become more popular and general but other forms would come in vogue also. For example, farmers would insure against drouth and failure of crops. Southern horticulturists and agriculturists would insure their orange groves and other perishables against frost. Most people would insure their property against tornadoes. Business men would insure against losses incident to their particular lines, etc., and every extension of insurance would help to maintain a fair distribution of wealth.

RAISE STANDARD OF LIVING.—Individualism would raise the standard of living of the poor, the head of the house having an opportunity to earn a larger income because of more steady employment and increased wages. Those who were able and willing to work and husband their earnings could have all the necessities and at least some of the luxuries of life.

LESSEN CHILD AND WOMAN LABOR.—Child labor could be abolished and fewer girls and women would be required to work in proportion as the opportunity of fathers to earn were increased. If this were done without a more equitable distribution of wealth than we have at present, the standard of

living must necessarily decrease. Therefore, in order to do away with child and woman labor we must increase the earning power of fathers, husbands and brothers.

BETTER EDUCATION.—More children could be sent to school longer, and a larger percentage could have the benefit of a college education.

RECREATION AND SELF-IMPROVEMENT.—Shorter hours of labor would permit wage earners more time for self improvement, recreation, family enjoyment, social and religious service.

INCREASE OF INDIVIDUAL EFFICIENCY.—Individualism offers the best possible incentive to human development because merit would be a material factor in compensation. Under the union labor system of today the wages of all journeymen in an industry are virtually the same. Under Individualism individual efficiency would count in every occupation, since part of the compensation would come from profits distributed on a merit basis.

INCREASE MARRIAGES.—On account of the high cost of living many young men nowadays fail to get married. They realize their inability to give a wife the same standard of living which she now enjoys. Many young women now earn as good salaries as men, and the youth knows that if he marries such a girl there will be but one income where there were two before, hence he hesitates about taking the step. With a less number of young women working and the men earning larger wages, the present financial barrier would be removed.

MORAL EFFECT.—Extremes breed crime. The very rich become so avaricious that they commit crimes and do injustices to their fellowmen that they may make more money. Furthermore, they become so engrossed in their race for wealth that they fail to consider the future life. Extreme poverty is responsible for many petty crimes, both of omission and of commission. Since Individualism would reduce swollen fortunes and

minimize poverty it would produce a wholesome moral effect accordingly.

CHECK WHITE SLAVERY.—One of the most baleful results of poverty is white slavery. Many girls and young women are now easy victims of the so-called white slave traffic since their incomes are so small as to prevent in many cases their earning enough to give them the standard of living they desire. Individualism would, of course, not in itself abolish this evil, but it would at least remove one of the causes of it.

CHECK RACE SUICIDE.—There would be an incentive to those ambitious to be rich to have a large family, so they could continue their accumulations and still keep the wealth within the immediate family circle.

A NEW IDEAL.—The need of the world today is A New Ideal. In playing the great Game of Grab, in the Struggle for the Material, the people are developing their baser instead of their higher qualities. We are not all Christians, but we are all human, and the ideal to which we can universally subscribe, whether Pagan, Infidel, Jew, Protestant, Catholic, or other belief, is what Christ called the second great commandment—the Love of our Neighbor. We can all work for The Cause of Humanity.

Objections Anticipated and Answered

While Individualism would benefit everyone, a few thousand would have to dispose of a surplus when The Readjustment came, and many of these naturally will be against its adoption. Being the ones in control of affairs, they will have an opportunity to voice their objections so as to make it seem as if they came from a much larger number. Here are some of the objections which will be made:

EFFECT ON INCENTIVE.—Among the first objections which will be advanced is that it would destroy incentive to earn and save. A careful analysis shows that it would not destroy legitimate effort one iota, but on the whole would increase this incentive to a marvelous extent. It certainly would curb selfish men from carrying out schemes by which they could make hundreds of millions, but think of the hundreds and hundreds of thousands of people in whom it would put new heart and life because they would now have enough to eat and wear, and they would feel there was a place for them in the great plan of life.

One man said this: "Suppose a man were an inventive genius and invented a few good devices which were valuable to mankind and made his limit, he would have no incentive to continue inventing and the world would lose the value of his genius."

Let us consider probably the best known, most prolific and most useful inventor in the world, Edison, and see what would probably happen in his case. I presume Mr. Edison has so much wealth that he would have to dispose of some of it to come within the limit, but is it reasonable to suppose that because he

could add no more to his fortune he would stop inventing? I have not the honor of a personal acquaintance with him, but my guess is that this certainly would not stop him. Inventing to him is life. The mere making of money is a secondary consideration. He is doing something for humanity. He gets personal satisfaction out of his improvements. Under an Individualistic regime, Edison, undoubtedly, would go on inventing as long as he could. He has an ideal in life which is something else than the sordid desire to make money.

Edison is merely a type. Even now many eminent physicians and surgeons, when they discover something which will benefit the human race, at once give it to the whole world to use free. They don't get it patented to make money on. Their hearts are in their *work*, not in the money they can make from it. Individualism certainly would not stop their incentive.

But how about the business man? What would he do when he had reached his limit?

There are several situations here to consider. I talked with a man recently who had made a fortune in the iron business. A few years ago the steel trust scared him into selling, and offering him three times what his plant was worth, he accepted and retired. He "loafed" a couple of years, but found time weighing heavily on his hands, so he took a job as superintendent for an independent mill at a moderate salary. He is now helping the other fellow get along and is perfectly satisfied.

CURBING THE SELFISH.—Suppose a man did not want to retire or work for someone else, but preferred to continue conducting the business he has spent his life at. There is absolutely nothing in the plan of Individualism which would prevent him from continuing in business. If he were an employer of labor and so absolutely selfish that he would not share profits with his men, his earnings *ought to be curbed* so as to give someone else a chance who would be more considerate of those less fortunate and capable. But even this selfish fellow could go on making as much as he could providing he used the surplus in such

a way that he would not accumulate more than the limit of commercial property. He could spend it in travel and luxuries, or in acquiring a splendid home and other non-commercial property. And yet there would be a natural limit to this. Under most favorable conditions, mammoth incomes like those today would be absolutely impossible. Furthermore, taxation on non-commercial property would in itself serve to limit its accumulations beyond a reasonable amount.

DEVELOPING MANHOOD.—But how nicely it would work with the man who was not entirely selfish. When he had acquired the limit for himself, his wife, each of his children, and anyone else to whom he took a fancy, it would be natural for him to consider next those who had helped him gain that position of independence. He would establish a system of profit sharing in his mill, factory, store or office, thereby disposing of his surplus. And think how that would develop in him the highest qualities in mankind—the helping of others. If Individualism did nothing else but develop real men out of the present crop of selfish money-mad maniacs it would be worth while.

Those who have tried it realize that the only real happiness in this life comes from service—doing something for others, and the best kind of service is that which helps men to help themselves. There is no more pitiful spectacle in the world than the selfish miser who lives for self alone.

Suppose a lawyer, doctor or other professional man, who is not an employer of labor, acquired the limit and was still capable of making \$20,000 or \$30,000 a year from his practice, what could he do?

If he were of the selfish type he could do as proposed for the selfish fellow above. If the other, he could do something for humanity, work just as hard, and *get more out of life* than before. Let him serve his clients or patients for more modest fees if he desired, let him give his surplus income to religious or charitable institutions, let him pay for the education of some worthy young men and women. My God, let him do something for humanity!

And think of the opportunities for public, as well as social service. What a great world this would be if the strong men, the men who have demonstrated their ability to make good in the business and professional world, should turn their energies to public service. What a glorious example we had here in Cleveland in the person of Tom L. Johnson, who devoted ten years of his life to the people's interests. He was called everything which embodied selfishness, insincerity and crookedness, because he was almost a pioneer in this line. Many people could not believe that a millionaire could give up his race for wealth and work for the interests of others at a comparatively small salary. Tom L. Johnson paved the way for others and left a lasting monument which will endure in the hearts of the people.

That system of economics must be commendable which would cause men who have the ability to make millions to turn their efforts to doing something *for* their fellow men, instead of scheming *against* them! Under Individualism the incentive would be to develop the *best* there is in men; under our present liberalism the incentive is for them to do their *worst*.

INCREASE EFFICIENCY OF LABOR.—Now let us consider what effect Individualism would have upon those millions of workers who have less than the limit. Our present policy of no-limit, get-all-you-can, is essentially selfish; the policy of employers is to get as much out of their employees as possible and give them as little as need be in return. The employees, reflecting this spirit, pursue in many instances the policy of getting all they can and giving less than they might in return. Therefore, capital and labor under our present system are antagonistic.

Suppose Individualism should become effective. The relations of capital and labor would cease to be antagonistic and become reciprocal instead. We have seen that for various reasons it would be to the employers' interest to share profits with their employees on a merit system. This would make it to the advantage of the employed to put forth more energy, become more skilled, take greater care with their work, and put forth their

best efforts in the interests of their employers. What a great advantage to have such harmonious relations. Strikes, boycotts and lockouts would be minimized, and the co-operation and harmony between employers and employees would be greatly increased to the benefit of all.

Thus we see that the increased incentive for honest effort to the millions of workers would outweigh immeasurably any curbing of unjust effort upon the part of the few.

EFFECT ON COMMERCE.—Some will object that Individualism would destroy our commercial advantage over other nations. This is a specious objection. In the first place the principle underlying Individualism is not only applicable to our country, but to the whole world, and there is no reason why it would not materialize in other nations as quickly as here.

But suppose we were the first to adopt it, we would really be in a better position to compete for foreign business than now; (1) our labor would become more skilled and put forth greater energy than before for the reasons already stated; (2) there would be no watered stock on which dividends must be made, therefore we could sell as cheap or cheaper and the people at large would receive as much benefit as now.

And by the way, where does our great advantage in the markets of the world rest now? In many cases, right upon the shoulders of the American citizens. Hundreds of articles are manufactured by the sweat of American labor, shipped to foreign countries and sold for less than we can buy them right here at home. Surely we have a fine advantage in the markets of the world, but the people of this country are bearing the burden and the money barons are reaping the benefit.

THE AMENDMENT.—Some legal lights will advance the objection that such a change as we propose would not be constitutional. If they will throw off their superficiality for the nonce, they will remember that the Federal Constitution provides for its own amendment; that the people are supreme and can change the basic law of the nation as they see fit; that fifteen

amendments have already been made in the instrument which proves that it can be changed.

TAKING MONEY ABROAD.—It will be argued that many, especially the multi-millionaires, instead of submitting to The Readjustment, would expatriate themselves, to Canada, for instance. In the light of analysis, this objection fades into insignificance. In the event that Canada did not adopt Individualism before we did, let us see what would happen.

In the first place, Mr. Millionaire or Billionaire could not take the land, and we would still have three million square miles of soil left after he had gone, also all the oil, gas, coal, lead, zinc, iron, silver, gold, and other base and precious elements in it. Neither could he take the improvements, the factories, great buildings, dwellings, pavements, bridges and other fixtures. So we would still have our places to live and work when he was with us no more.

What could he take? Money, jewelry, furniture and art (and the law might even prevent the latter as European nations do now, if deemed advisable). How much money could he take? All he could get together, of course, but he would have a hard time getting even a few millions together with which to hike. If he had property worth a million, he would have to sell it to some other millionaire who was going to stay. But no millionaire who was going to remain would buy it because he would have no use for it after he had bought it, as he would either have to divide it among others in blocks of not to exceed \$100,000 or have it taken from him by the government.

Nevertheless, every millionaire who didn't like the way we were doing things, and therefore decided to leave us, would be able to "scrape together" at least *some* cash. Suppose the total aggregated the enormous sum of *a half a billion dollars*; that wouldn't break us. It would not be one 250th part of the wealth of this nation. Our money per capita being about \$32, even if they carried it ALL off, 97½% of our wealth would still remain with us. We would also have a good many million dollars

worth of precious metals in our rock-ribbed districts, our mints would still be in working order, and the Government at Washington could get busy and give orders for the manufacture of more money.

There is another phase of this exodus feature worth mentioning. If the United States adopted Individualism before Canada, the latter would undoubtedly follow suit, and many of the wandering millionaires would doubtless then return.

HIDING THE SURPLUS.—The objection will not be overlooked that some people would not comply with the law, but would retain more than \$100,000 of commercial property. That is undoubtedly true. There are people breaking laws every day and they will probably continue to do so. But in this case they would not be able to injure others as they are at present.

If it were discovered any time that a person did retain more than the limit, the State would take the surplus and exact a penalty, just as it does now when a man does not make full returns for taxes.

Methods, of course, would have to be adopted to prevent as far as possible the hiding of surplus. All stock, bonds and mortgages could be required listed, and if dummy names were used it would be possible to run these down as addresses would have to be given. If stock were distributed among different people to hold that would not hurt, as it is the distribution of wealth we are aiming to accomplish.

The same reasoning applies here as in the case of taking wealth from the country. Practically our entire wealth is tangible and could be made accountable. Money from which no interest could be secured would be the principal wealth which could be hidden.

Suppose some who converted their surplus into money had \$100,000 or \$200,000 or \$300,000 so hid away in safety deposit vaults or elsewhere, the owners dare not use much over \$100,000 in their business or it would become apparent to the public and officials and be taken from them. Therefore, they

could not become a menace to their fellow men in preventing them from getting a living to which they are justly entitled.

Admitting that there would be some who would not obey the spirit or letter of the law, nevertheless the morals of the rich under the new regime would be greatly improved. No human law can make angels of men. There is a higher law which must be invoked for that. But under Individualism there would be many people working to make *men*, who now are bending their energies to make *money*.

RICH THE PROBLEM, NOT THE POOR.—In this whole discussion of possible objections, the wholesome thought stands out clearly that under the proposed regime the problem would be, "What to do with our rich?" not "What to do with the poor?" as is now the case. We also know that the rich are usually well able to take care of themselves; that they are greatly in the minority, and that the unquestioned justice of government is the greatest good to the greatest number.

Justice of the Principle

A fundamental principle of law, accepted by everyone except anarchists, is that as members of society we must give up certain rights which we could exercise if we lived apart from it.

If a man who owned a steam boiler made his home in a country inhabited only by himself he might carry 300 lbs. of steam on it, and there would be no one to molest or restrain him. He would be a law unto himself. But if he moved it to any place where people lived he would then be a member of society and would be governed by its laws.

The law provides that an inspector shall test each boiler, determine what pressure can be carried on it without danger of explosion and set its safety valve so the steam will "blow off" when the limit is reached. If the inspector found, upon testing this hypothetical boiler, that to carry 300 lbs. of steam on it was dangerous, its owner would not be permitted to do so. The safety valve would be set at 75 lbs. or whatever the safety mark was. He would be *limited* for the benefit of society.

Everyone admits that the law which thus limits a man's personal liberty is just. Let us examine a case in which we use money instead of steam and we will see that the same principle applies with equal force.

Suppose a boat should be wrecked upon an hitherto undiscovered island and only one of the crew survive. He might become owner of that entire island, and though it were stored with precious metals worth billions, that would make no difference to society. His wealth would not be a menace to it, he not being a part of it.

But if he should hail a passing ship, bring his vast fortune into society and use it to make himself still richer at the expense of his fellow men, whom he ground down to the condition that

they could not buy the necessities of life, he would be an enemy of society, and the State would have just as divine a right to curb his power to injure others as it did the other man from carrying 300 lbs. of steam on his boiler.

OTHER PRECEDENTS.—As a further evidence of the justice of the principle of limited ownership let us cite some laws which are among the statutes.

We make it a crime punishable by imprisonment for one person to do personal violence to another, or even threaten to. Are we not therefore justified in restraining men from acquiring so much wealth that they make their fellow men suffer the pangs of hunger and cold?

Every State regulates by law the rate of interest which can be collected for the use of money.

The Federal Government lays a tax on the incomes of all corporations whose net earnings are over \$5,000 per annum, and an amendment to the Federal Constitution is now pending which, if ratified by the legislatures of three-fourths of the States, will permit the taxation of incomes of individuals.

Some States lay a heavy tax on inheritances.

If these laws and similar restraints which we put on members of society are just, there would be nothing unjust in limiting ownership. In fact, unless we do, we are permitting great injustice against a large part of our people. It is not only the privilege, but the duty of society to protect the weak from the injustice of the strong.

History clearly establishes the fact that for thousands of years throughout the world members of society who have been possessed of great wealth have frequently been menaces to society. No human being can conceive the sufferings of humanity which have resulted from their machinations. To-day we have a condition which portends as great evils as any we can read of in history.

Throughout this bountiful land, whose crops are so plentiful that millions of bushels of its products are exported annually

to other countries, thousands of people have not enough to eat; throughout this land of wealth, whose bowels are laden with incalculable stores of coal, gas and oil, hundreds of thousands of its inhabitants have not sufficient fuel to keep them warm in winter; throughout this land of industry, with brains and machinery capable of competing with the labor of any country, hundreds of thousands of honest, willing, deserving men are searching for work in vain.

Those who are responsible for these intolerable conditions are nothing short of *enemies of society*, and simple justice demands that their power be curbed.

Program for Materializing

Hundreds of thousands of people throughout the world know from personal experience and observation that affairs are unjust, and that they will continue to get worse unless action is taken to correct them. Indeed, one can scarcely meet a person who has not a desire to do something to better conditions. Many are giving charity and doing noble welfare work, but they realize that this is simply relieving present needs, and that it is not helping much for the future. While this should be continued, a concentrated action which will strike at and remove the cause of much want and distress is certainly highly desirable.

The body politic has been attacked with a deadly disease and eruptions have appeared on the surface. While it is a good work to put salve on these sores and thus help to relieve the sufferings of the patient, yet if we are going to save the patient's life we must cure the disease itself. When that is done the sores will automatically disappear.

INDIVIDUALISM EFFECTIVE AND PRACTICAL.—A concentrated effort should be made to apply the remedy of Individualism, (1) because it is a positive cure and (2) because it is perfectly feasible.

The advent of the corporation, though largely responsible for our condition today, is the very thing which makes the materialization of Individualism possible. The airship had to wait the invention of the gas engine, and limited ownership in our age of large business and complex conditions had to await the invention of the corporation. Now that we have the one, we can have the other.

But no matter how practical or effective a plan may or might be, it will accomplish nothing unless materialized. The first logical and most effective step to vitalize Individualism is to

get an organized force behind it. Therefore, I propose the formation of a society to be composed of those who believe in the principle of limited ownership and are willing to assist in securing its adoption.

A PROPOSED PROGRAM.—A commendable feature of the solution is that much can be done toward realizing the benefits of it ere the keystone can be placed in position. The following program would aid greatly both in relieving the economic situation and hastening the ratification of the desired amendment:

- (1) Campaign for disciples among all classes.
- (2) Induce labor to advocate profit sharing.
- (3) Induce political parties to declare for limited ownership in their platforms.

- (4) Secure the passage of income tax and inheritance tax laws, also other regulatory and restrictive laws which will tend to prevent further centralization of wealth and make for a more equitable distribution of it.

- (5) Finally, secure such amendment to the Federal Constitution as will limit the amount of wealth which any individual may own.

CAMPAIGN OF EDUCATION.—There are at least some rich men who, upon being shown the justice of the limited ownership principle, could be induced to acquiesce to it and act upon it voluntarily. The fact that Dr. Pearson of Chicago distributed his fortune of \$7,000,000 before his recent death is an encouraging instance of what others might be induced to do. Among the first efforts of the Society therefore should be a campaign to convert as many as possible to the principle. Every time a man who possessed in excess of the limit agreed to dispose of the surplus, and did so, the cause of humanity would be advanced.

ASSISTANCE OF LABOR.—Both organized and unorganized labor should be urged to try to induce their employers to share profits with them. A minimum wage scale should be adopted and additional compensation asked for individual work-

ers according to their efficiency, as determined by the quality and quantity of their results.

Profit sharing should not be of the brand used by the steel trust which gives the employer an unjust hold on or power over men. It should be such as will foster loyalty and make for more harmonious relations between employer and employee.

POLITICAL PARTIES.—The formation of a new political party should be unnecessary to secure real reform. We need two great parties to balance each other, but there is no crying need for another. There are plenty of progressives in both parties. If a good percentage of these could be formed into a non-partisan society they could work as a unit for reform through that, and by still retaining allegiance to their respective parties exert a leavening influence in each. When the people want any reform and make a strong enough demand for it, they get it. And when the great parties see there is a demand for limited ownership it will be incorporated in their platforms.

INCOME AND INHERITANCE TAXES, both State and Federal, increasing rapidly in proportion to the amounts involved, should be advocated and their enactment urged. Also laws which will regulate and restrict the unjust actions of trusts, pools and combinations in restraint of trade, both great and small, and other progressive laws which will keep the power in the hands of the people.

SECURING THE AMENDMENT.—While much can be accomplished by the foregoing factors, The Amendment should ever be looked forward to and worked for as the desideratum. This should be hastened further by endeavoring to nominate and elect candidates to Congress who endorse the principle which underlies Individualism.

If the idea possesses the merit which so many forceful arguments indicate, and which history proves that it does, enough members of both branches of Congress will be elected eventually to pass The Amendment Resolution. It will then have to be

ratified by the legislatures of three-fourths of the States—and when that is done The Readjustment will take place.

The provision for this should contain at least these vital features:

(a) A reasonable time, say a year, should be given for each individual to adjust his affairs and dispose of his surplus wealth. He should be permitted to give it to his wife, children or friends, to divide it among his employees on a merit basis or any basis he chose, or to give it to religious, eleemosynary or educational institutions, or to dispose of it in any other legitimate way he wished.

(b) At the expiration of the stipulated time, if any be found who had not complied with the law, the surplus over the limit should be taken by the Government, put into the public treasury and used to pay the running expenses of the Government, thus reducing taxes and giving *everyone* the benefit.

It will be readily seen that this plan for The Readjustment does not at any point anticipate the summary taking property from one person and giving it to another. No one would get anything for which he did not labor any more than he does at present (except in case it should be given him *voluntarily* by an individual in disposing of his surplus).

The Testimony of History

There are a good many conservative people everywhere who look askance at new and untried theories of government. They serve a purpose—they act as a sort of balance wheel to that class who formerly were known as “radicals” or “cranks,” but who now seem to be coming into their own, being styled by the more respectable title of “progressives,” while the formerly so-called “conservatives” are now known by the somewhat stigmatic title of “reactionaries.”

For the benefit of all classes, however, it is a matter of considerable satisfaction to be able to cite the fact that limited ownership is neither new or untried, but was employed more than 2,000 years ago with most beneficial results.

There are numerous instances in ancient history of the periodical distribution of wealth. According to Aristotle, Phileas of Chalcedon, deeming property to be the turning point of all revolutions, was the first to affirm that the citizens of a State ought to have equal possessions. We learn from the Old Testament that there was a redistribution of wealth every half century, in the Jubilee year. Emile De Laveleye, in his splendid book, *Primitive Property*, points out numerous instances among the old Germans, Celts and others, in which an effort was made to maintain material equality by frequent redistributions and other means.

While all this is interesting to a certain degree, it is not altogether relevant to our purpose, since we do not believe in an exactly equal distribution of *wealth*, but in a sufficient balance to equalize *Opportunity*. We are, therefore, deeply concerned about the instances in which a limit above the per capita wealth has been set and the consequences thereof.

LIMITED OWNERSHIP IN GREECE.—Solon, who is conceded to be one of the greatest constructive statesmen of all

time, seems to have been the first of whom we have authentic information to limit accumulations. He did this about the year 594 B. C., when he gave Athens a new constitution. The subsequent history of Greece contains many instances in which the restricting law was enforced with beneficial results, and when Liberalism was in vogue dire effects ensued. In summing up his chapter on "Property in Greece," Laveleye says:

"In the other Greek republics we find the same economic evolution as at Sparta—the concentration of landed property, the advance of inequality, cultivation by slaves, whose number is continually increasing, and finally depopulation. When Greece became a Roman province it was transformed into a desert, where the flocks wandered at will, and wild beasts lurked in the ruins of temples and cities. At the end of the first century of our era, the population was so reduced that the whole of Greece could hardly produce 3,000 fully armed warriors, the number which Megara alone sent to the battle of Platea. Equality was the basis of Greek democracies; inequality was their ruin."

RESULTS IN ROME.—The Licinian laws prohibited anyone from pasturing more than a certain number of cattle or from possessing more than 500 *jugera* (about 375 acres) of public lands. The surplus of anyone owning more than that was distributed among the poor. The results which attended the enactment of these laws are given by M. Laboulaye in his *Des lois Agraires chez les Romains*, as follows:

"The century which follows the Licinian laws is the one in which the soldiers of Rome seem inexhaustible. Varro, Pliny and Columella continually refer to these great days of the Republic as the time when Italy was really powerful by the richness of its soil and the number and prosperity of its inhabitants. The law of the five hundred *jugera* is always quoted by them with admiration, as being the first which recognized the evil, and sought to remedy it by retarding the formation of those vast domains, or *latifundia*, which depopulated Italy, and after Italy the whole empire."

The "latifundia," or great estates, of Rome were made possible by favorable laws, or in some instances, the non-enforcement of laws, and in that respect their growth was not unlike

the development of immense fortunes of today. The great number of slaves which were owned was another factor in their evolution. In the time of Augustus one man owned over 4,000 slaves. In lieu of actual slaves today those of great wealth have the trusts by means of which they can derive practically the same results, being in a position to regain nearly all the wages paid through their power to regulate prices. In fact, they have a little the better of the Roman magnates, as they are not only able to make profits on their employees, but on the public at large as well. Another similarity between the formation of the *latifundia* and the trusts is in the killing of competition. Where freemen owned land they were sometimes bought out, but often driven out. Human nature does not seem to change much as the centuries roll on.

The Licinian laws were enforced and abrogated alternately over a long period, according as the "party" in power favored the people or the predatory interests, and "according to M. Mace," says Laveleye, "agrarian laws, that is to say, the distribution of public land among the citizens, produced the best results every time they were really carried into execution; and the aristocracy, by their opposition to them, caused alike their own ruin and that of the empire."

So strikingly does Laveleye describe the needs of the present from a study of the past that I cannot refrain from quoting his closing words on Roman property:

"The concentration of property in a few hands, by multiplying the number of slaves, dried up the natural source of wealth, free and responsible labour; and by destroying the sturdy race of proprietor cultivators, at once excellent soldiers and good citizens, who had given Rome the empire of the world, it destroyed the foundation of republican institutions. *Latifundia perdidere Italiam*, (Vast estates destroyed Rome.—Pliny) the irremediable fall of the Roman Empire justifies the phrase, which re-echoes through the centuries as a warning to modern societies. The French Revolution, and most continental legislation, has been inspired with the feeling which dictated the Licinian laws and those of the Gracchi. It endeavoured to create a nation of proprietors; such had been the actual result of primitive communities.

To-day, in presence of the democratic movement by which we are impelled, and of the equalising tendencies which agitate the labouring classes, the one means of averting disaster and saving liberty, is to seek an organization, which may confer property on all citizens able to labour."

Such is the conclusion of a modern historian after an exhaustive study of ancient conditions. And it is at least a remarkable coincidence that another writer, after studying modern conditions and tendencies, should have evolved the same solution as a corrective measure.

Since our trouble today is due to the same fundamental cause as in the case of Greece and Rome, and since human nature is the same now as then it must necessarily follow that the same principle properly modified to meet modern conditions would be as effective now as it was 2,000 years ago.

If when M. Laveleye wrote his book some thirty years ago he had formed an organization which would have materialized his conclusion, the condition of his France and other countries might be different today. If we fail to do what he neglected I doubt not but the time will come when historians will be recording the fact that the modern *latifundia* destroyed our republic.

The time has come when the people should take a united stand against the machinations and those who are rapidly undermining the foundations of our government by destroying the opportunities of its citizens to enjoy "life, liberty and the pursuit of happiness." The Declaration of Independence unequivocally states, "That whenever any form of government becomes destructive to these ends, it is the right of people to alter or abolish it." There is no desire or need to *abolish* our government, but there is vital need to *alter* it as provided by the Constitution itself.

If, in view of the many arguments for limited ownership as applied to modern conditions set forth in this modest booklet and the remarkable testimony of history cited in support of it, you are convinced that action should be taken in this country as soon as may be to restore opportunity to all citizens by curbing the money power of individuals, you are invited to become a member of the proposed militant force for Our Country and Humanity—THE INDIVIDUALIST SOCIETY.

(Detach and Forward)

**APPLICATION FOR MEMBERSHIP
IN THE PROPOSED NON-PARTISAN
INDIVIDUALIST SOCIETY**

Joseph Jordan Devney,
Citizens Bldg.,
Cleveland, Ohio.

Dear Sir:—

I hereby make application for membership in the proposed non-partisan INDIVIDUALIST SOCIETY, with the understanding that when 500 similar applications shall have been received by you, you will issue a call for all applicants to convene within a reasonable time thereafter at Cleveland, Ohio, for the purpose of effecting a permanent organization.

This application is given with the understanding that the annual dues shall not exceed \$1.00, the same to be payable at the time of the Convention.

Name

St. Address

Town State

Occupation

Date Due

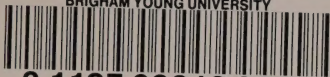
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